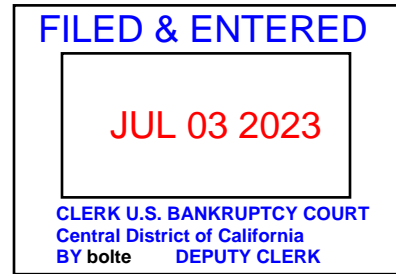


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10 **UNITED STATES BANKRUPTCY COURT**
11 **CENTRAL DISTRICT OF CALIFORNIA**
12 **SANTA ANA DIVISION**

13 In re:
14 THE LITIGATION PRACTICE GROUP P.C.,
15 Debtor.

Case No. 8:23-bk-10571-SC

Chapter 11

**ORDER ON TRUSTEE'S EX PARTE
NOTICE OF NON-MATERIAL
MODIFICATION TO PROMISSORY
NOTE WITH ADDITIONAL LENDER AS
PART OF PREVIOUSLY APPROVED
POST-PETITION FINANCING**

Date: June 30, 2023

Time: 12:30 p.m.

Judge: Hon. Scott C. Clarkson

Place: Courtroom 5C

411 West Fourth Street
Santa Ana, CA 92701

24
25 On June 16, 2023, Richard A. Marshack, the Chapter 11 Trustee (the "Trustee") for the
26 bankruptcy estate (the "Estate") of The Litigation Practice Group, P.C., in the above-captioned
27 bankruptcy case filed a *Notice of Motion and Emergency Motion (I) for Entry of Interim Order:*
28 *(A) Authorizing The Trustee to Obtain Post-Petition Financing and Superpriority Administrative*

1 *Expense Claim Pursuant to 11 U.S.C. § 364; and (B) Setting Final Hearing; and Pursuant to Final*
2 *Hearing, (II) for Entry of Final Order Approving Post-Petition Financing on a Final Basis* [Docket
3 No. 119] (the "Financing Motion"). This Court heard the Financing Motion and On June 22, 2023,
4 entered an Interim Order [Docket No. 131] granting the Financing Motion that, among other things,
5 set a Final Hearing on July 20, 2023, authorized the Trustee to borrow up to \$800,000.00 of Post-
6 Petition Financing in advance of the Final Hearing, and gave the Trustee the authority to make non-
7 material changes to the terms of the Post-Petition Financing in advance of the Final Hearing with
8 notice.

9 On June 29, 2023, the Trustee filed a Notice in the case that he would be using a lender
10 different than the one identified in the Financing Motion to make advances over and above the
11 amounts the original lender had already lent. Because the Estate required additional funding to
12 make payroll and pay other necessary expenses, the Trustee reached out to third parties to identify
13 a new third party willing to lend the balance of the funds to the Estate. One of these third parties
14 was willing to lend to the Estate, and the Trustee filed the Notice advising of the Estate's intention
15 to execute a second promissory note with the new lender.

16 In response to the Ex Parte Notice, the Court set the matter for hearing on June 30, 2023, at
17 12:30 p.m. and required the Trustee to provide notice of that hearing. Notice was provided as
18 ordered on June 29, 2023. The Court, having considered the Notice, all pleadings filed in support
19 of, having heard oral argument, and good cause appearing including the reasons stated on the record,
20 and in the Notice, the Court ordered as follows:

21 IT IS ORDERED that:

- 22 1. The Ex Parte Notice is granted and Trustee may proceed with the identified
23 replacement lender;
- 24 2. Trustee is authorized to borrow \$560,000 from Liberty Acquisitions Group, Inc. or
25 its assignee and execute the second Super-Priority Promissory Note (the "Additional Note")
26 attached as **Exhibit 2** to the Trustee's Declaration;
- 27 3. Trustee shall file a declaration by 5:00 p.m. on Monday, July 3, 2023, that attaches
28 a copy of the Note he executed in favor of the initial lender, Resolution Ventures, as well as a copy

1 of the Additional Note executed in favor of the replacement lender, Liberty Acquisitions Group,
2 Inc.


3 4. There shall be no stay of this Order, pursuant to Rule 6004(h) of the Federal Rules
4 of Bankruptcy Procedure (to the extent applicable) or otherwise;

5 5. The Court retains jurisdiction with respect to all matters arising from or related to
6 the implementation of this Order.

7 6. The Final Hearing on post-petition financing is continued from July 20, 2023, at 9:30
8 a.m. to August 10, 2023, at 10:00 a.m.

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24 Date: July 3, 2023


Scott C. Clarkson
United States Bankruptcy Judge